

A publication of the RSC Sunset Caucus from co-chairs Kevin Brady (R-TX) and Jason Chaffetz (R-UT) Rep. Jim Jordan (R-OH), RSC Chairman

## **Eliminate Unspent Federal Funds**

June 20, 2012

**<u>Program or Item Targeted</u>**: Unobligated and unspent federal funds.

<u>Cost of Program or Item</u>: This bill would require the rescission of \$45 billion in unobligated balances.

Background on Program or Item to Be Sunseted: The federal government obligates trillions of dollars every year to be spent on numerous projects. However at times this money is marked for spending but is not used due to government error or a lack of need, among other reasons. As Senator Tom Coburn reported, these funds add up to at least \$70 billion. Senator Coburn's study suggests that there are numerous programs with millions or billions of dollars of unspent funds each. These projects include "\$13 billion in road-building money that was earmarked to the wrong places, or for projects that states and localities no longer want to build," according to the Washington Times. In fact, the overall total may even be much higher than is currently believed—according to Senator Marco Rubio and Congressman Tom Price, a recent OMB report suggests that the actual amount of total unobligated governmental funds gathering dust could be around \$700 billion. If this is the case, then the unobligated \$70 billion specifically discussed by Senator Coburn and the \$45 billion identified by H.R. 1111 should clearly be identified as unnecessary funding and rescinded.

Why This Item Is Wasteful: This is money which is unspent and unnecessary, and yet is not currently being used to pay down our deficit. The money is not being used and in many cases was misappropriated. These funds can sit around for years without being spent, and many of the funds *cannot* be spent; there are currently, for example, nearly \$3 million in funding which could only have been spent on the 1996 Olympics. These federal errors and failures to appropriate certain funds should not be sitting around unobligated—these are taxpayer dollars, and should be used to pay down the deficit before it becomes an even larger burden on the taxpayer.

**MEMBER ACTION ITEM:** Rep. Tom Price has introduced H.R. 1111, the Decrease Spending Now Act. This legislation would cut much of the known unobligated funding by requiring the rescission of \$45 billion of unobligated balances of current discretionary appropriations and use the funds for deficit reduction. The bill would omit national defense, veterans spending, and social security from the cuts. For more information or to cosponsor, please contact Kyle Cormney at <a href="Kyle.Cormney@mail.house.gov">Kyle.Cormney@mail.house.gov</a>.

If you would like to participate in eliminating wasteful programs with the RSC Sunset Caucus, please e-mail Rick.Eberstadt@mail.house.gov.

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"The RSC Sunset Caucus uncovers government waste and seeks to eliminate it, working to sunset programs that taxpayers shouldn't be paying for."

